Labour Market Bulletin

Newfoundland and Labrador

July 2018

This Labour Market Bulletin is a report providing an analysis of Labour Force Survey results for the province of Newfoundland and Labrador, including the regions of Avalon Peninsula, West Coast—Northern Peninsula—Labrador, Notre Dame—Central Bonavista Bay and South Coast—Burin Peninsula.

OVERVIEW

The unemployment rate in July of 15.4% was relatively unchanged from the month before, as gains in both employment and labour force size were quite similar. While part-time employment had a strong gain from June, full-time employment declined. On a year-over-year basis, the unemployment rate was slightly lower, as employment growth was nearly matched by an increase in the size of the labour force. Part-time employment growth has been strong in recent months, reaching a record high in July. This has outweighed a decrease in full-time employment.

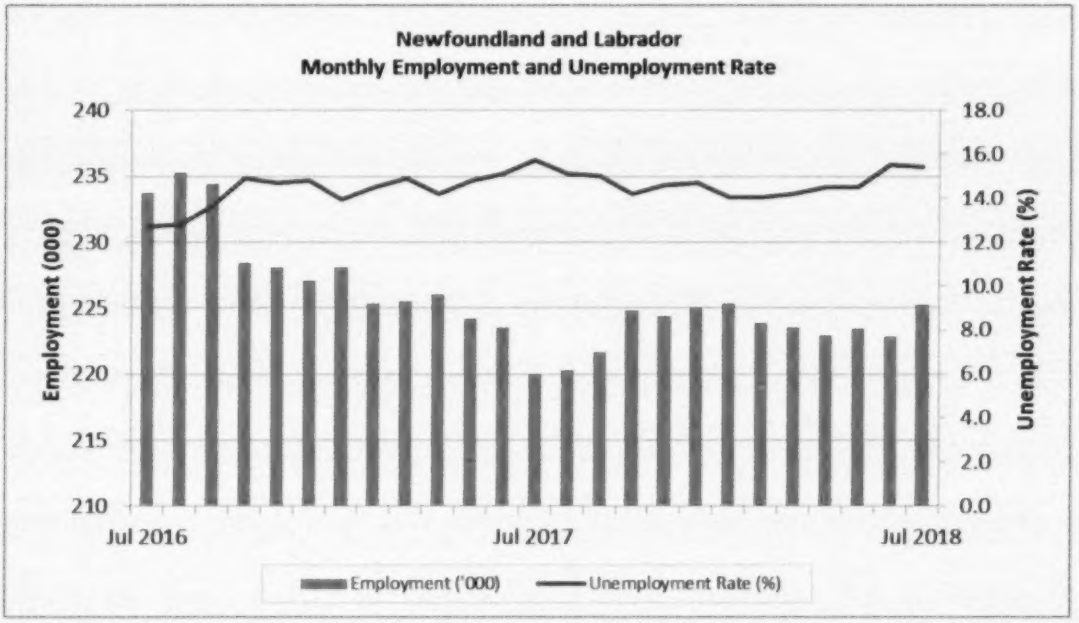
Newfoundland and Labrador Monthly Labour Force Statistics

Seasonally Adjusted Monthly Data	July 2018	June 2018	July 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Population 15 + ('000)	443.5	443.9	445.8	-0.4	-0.1	-2.3	-0.5
Labour Force ('000)	266.1	263.9	260.9	2.2	0.8	5.2	2.0
Employment ('000)	225.2	222.8	219.9	2.4	1.1	5.3	2.4
Full-Time ('000)	185.0	186.7	188.1	-1.7	-0.9	-3.1	-1.6
Part-Time ('000)	40.3	36.2	31.7	4.1	11.3	8.6	27.1
Unemployment ('000)	40.9	41.0	41.0	-0.1	-0.2	-0.1	-0.2
Unemployment Rate (%)	15.4	15.5	15.7	-0.1	-	-0.3	-
Participation Rate (%)	60.0	59.5	58.5	0.5	-	1.5	-
Employment Rate (%)	50.8	50.2	49.3	0.6	-	1.5	-

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

A sustained decline in employment from the spring of 2016 to the summer of 2017 had brought the unemployment rate to a seven-year high of 15.7% in July 2017. Starting in October of last year, however, the unemployment rate remained around 14% as the decline in employment was matched by a similar reduction in the size of the labour force. However, strong labour force growth in the past two months has pushed the rate above 15%. The unemployment rate remains notably elevated compared to its 2013 and 2014 levels of below 12%.



The youth (aged 15 to 24 years) unemployment rate (17.1%) had declined, down 2.0 percentage points in July, compared to the previous month. The main reason was a gain of 500 jobs month-over-month, while slightly fewer youth were active in the labour market.

Among males 25 years and older, the unemployment rate decreased from the previous month. July was a positive month for this group as the number of jobs increased and more people were active in the labour market. Most of the job growth over the past month as well as past year has been from this group.

For women 25 years and older, the unemployment rate in July has increased considerably since May. While the size of the labour force had strong growth over the past two months, employment levels have been relatively steady. This group's unemployment rate for July was its highest since 2009. In addition, while overall employment for women 25 years and older has been relatively stable from a year ago, full-time employment has declined and part-time work has increased.

Newfoundland and Labrador Monthly Unemployment Rates, by Gender and Age

Seasonally Adjusted Data	July 2018	June 2018	July 2017	Monthly Variation	Yearly Variation
	%	%	%	(% points)	(% points)
Total	15.4	15.5	15.7	-0.1	-0.3
25 years and over	15.1	15.0	15.4	0.1	-0.3
Men - 25 years and over	17.6	18.3	19.6	-0.7	-2.0
Women - 25 years and over	12.5	11.6	10.8	0.9	1.7
15 to 24 years	17.1	19.1	18.2	-2.0	-1.1
Men - 15 to 24 years	20.5	20.5	22.5	0.0	-2.0
Women - 15 to 24 years	13.4	17.7	13.5	-4.3	-0.1

Source: Statistics Canada Labour Force Survey – Table 14-10-0287

EMPLOYMENT BY INDUSTRY

Over the past year, most of the province's employment increase has been in the **Services-producing sector**. Compared to June employment levels, the largest industry gains were in **Educational services**, as well as **Transportation and warehousing**. Employment in **Wholesale and retail trade** continued to weaken, and has lost 5,600 jobs since the spring of 2017. A downturn in the province's economy has been the main factor behind this industry's decline. **Finance, insurance, real estate and leasing** experienced a considerable employment loss through the middle of 2017. However, a significant rebound has taken place since that time, with employment increasing by nearly 40% over the past year. Many other industries in the **Services-producing sector** have reported strong gains from a year ago, including **Public administration**, and **Information, culture and recreation**.

The **Goods-producing sector** had a small employment gain from the month before. This was due to an increase in **Forestry, fishing, mining, quarrying and oil and gas. Construction** was unchanged from June and has lost 900 jobs from a year ago. While **Manufacturing** had a small monthly increase, employment in this industry was the fourth-lowest on record. Employment in food manufacturing continues to be relatively subdued, given some of the negative pressures impacting the industry, including quota cuts for crab and shrimp.

Newfoundland and Labrador Monthly Employed Labour Force, by Industry

Seasonally Adjusted Data ('000)	July 2018	June 2018	July 2017	Monthly Variation		Yearly Variation	
				Number	%	Number	%
Total employed, all industries	225.2	222.8	219.9	2.4	1.1	5.3	2.4
Goods-producing sector	44.3	43.7	45.9	0.6	1.4	-1.6	-3.5
Agriculture	1.1	1.4	1.6	-0.3	-21.4	-0.5	-31.3
Forestry, fishing, mining, quarrying, oil and gas	12.4	11.7	12.1	0.7	6.0	0.3	2.5
Utilities	2.9	3.0	2.9	-0.1	-3.3	0.0	0.0
Construction	19.5	19.5	20.4	0.0	0.0	-0.9	-4.4
Manufacturing	8.3	8.1	8.8	0.2	2.5	-0.5	-5.7
Services-producing sector	181.0	179.1	174.0	1.9	1.1	7.0	4.0
Trade	36.4	36.8	40.7	-0.4	-1.1	-4.3	-10.6
Transportation and warehousing	12.7	11.3	11.5	1.4	12.4	1.2	10.4
Finance, insurance, real estate and leasing	8.0	7.7	5.8	0.3	3.9	2.2	37.9
Professional, scientific and technical services	10.1	10.1	9.9	0.0	0.0	0.2	2.0
Business, building and other support services	5.6	6.0	8.0	-0.4	-6.7	-2.4	-30.0
Educational services	17.3	15.7	14.9	1.6	10.2	2.4	16.1
Health care and social assistance	40.2	39.9	38.6	0.3	0.8	1.6	4.1
Information, culture and recreation	7.7	7.5	5.6	0.2	2.7	2.1	37.5
Accommodation and food services	16.3	16.7	14.8	-0.4	-2.4	1.5	10.1
Other services	9.9	11.0	10.2	-1.1	-10.0	-0.3	-2.9
Public administration	16.9	16.3	14.0	0.6	3.7	2.9	20.7

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0355

REGIONAL ANALYSIS

The unemployment rate on the **Avalon Peninsula** increased by 1.2 percentage points since July of 2017, as the size of the labour force increased faster than employment. Compared to three years ago, employment in this economic region has declined by nearly 7,000 jobs, with full-time job losses outweighing part-time gains. The decrease in employment from a year ago was scattered among various industries. **Wholesale and retail trade, Educational services,** and **Forestry, fishing, mining, quarrying and oil and gas** reported the largest declines. However, employment increased in some other industries. The strongest gains were in **Professional, scientific and technical services,** as well as **Construction**. **Finance, insurance, real estate and leasing** has also rebounded considerably in recent months.

The **South Coast–Burin Peninsula and Notre Dame-Central-Bonavista Bay** region's unemployment rate was lower in July compared to twelve months earlier. Employment increased by 1,300 jobs, the ninth month in a row with a gain. However, this growth has been weakening recently. Most industries reported a gain in July, with **Educational services** and **Accommodation and food services** experiencing the strongest growth in recent months. However, **Construction** and **Trade** had notable losses in July, and there has been an extended period of decline in **Health care and social assistance**.

In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate increased for the first time in nearly a year. Employment declined faster than the size of the labour force. In addition, employment losses were mainly full-time in nature. **Construction** had a sharp decline for the third straight month. The **Services-producing sector** showed little change overall due to mixed results among industries. Extended losses have occurred in **Trade** as well as **Professional, scientific and technical services**. However, **Educational services** and **Public administration** have both reported healthy gains for prolonged periods.

Newfoundland and Labrador Monthly Labour Force Statistics, by Economic Region

3-Month Moving Averages Seasonally Unadjusted Data	Employment			Unemployment Rate		
	July 2018 ('000)	July 2017 ('000)	Yearly Variation (%)	July 2018 (%)	July 2017 (%)	Yearly Variation (% points)
Newfoundland and Labrador	233.1	232.4	0.3	13.6	13.6	0.0
Economic Regions						
Avalon Peninsula	134.8	134.3	0.4	11.0	9.8	1.2
South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay	54.5	53.2	2.4	16.8	20.2	-3.4
West Coast-Northern Peninsula-Labrador	43.7	45.0	-2.9	16.9	15.7	1.2

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – Table 14-10-0293

Note: *In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.*

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For information on the Labour Force Survey*, please visit the Statistics Canada Web site at:* www.statcan.gc.ca

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